

NOTICE OF PROPOSED RULE AMENDMENT

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Division of Administrative Rules.

Agency Information

- Agency: Insurance - Administration
Room no.: 3110
Building: STATE OFFICE BLDG
Street address 1: 450 N MAIN ST
Street address 2:
City, state, zip: SALT LAKE CITY UT 84114-1201
Mailing address 1: PO BOX 146901
Mailing address 2:
City, state, zip: SALT LAKE CITY UT 84114-6901

Contact person(s):

Name:	Phone:	Fax:	E-mail:
Jilene Whitby	801-538-3803	801-538-3829	jwhitby@utah.gov

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 34236 Date filed: 11/10/2010 05:11 PM
State Admin Rule Filing Key: 150397
Utah Admin. Code ref. (R no.): R 590 - 152 -
Changed to Admin. Code ref. (R no.): - -

Title

- Title of rule or section (catchline):
Health Discount Programs and Value Added Benefit Rule.

Notice Type

- Type of notice: Amendment

Rule Purpose

- Purpose of the rule or reason for the change:
Requires health discount marketers to be licensed regardless of the number of health discount operators they contract with. Current law allows an exemption for licensing if a health discount marketer is only contracted with one operator.

Response Information

- This change is a response to comments by the Administrative Rules Review Committee.
No

Rule Summary

- Summary of the rule or change:

Section 5 does away with the licensing exemption given to health discount marketers who have a contract with only one health discount operator. Section 7(4) extends the requirement to update information on websites to marketers, as well as operators, and requires them to update their sites no later than 30 days from the date of the revision. Section 10(4) adds websites to the rule's advertisement restrictions. The restrictions of this section are to be extended to marketers contracted with one operator.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

The department does not have information as to the number of marketers contracted with each of the 31 licensed operators. Currently we have approximately 26 licensed marketers. This will not require hiring additional employees.

B) Local government:

Affected: No

The changes to this rule will have no effect on local government since it deals solely with the relationship between the department and their licensees.

C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

The department is not aware of the number of employees operators have. This is due to the fact that health discount plan operators and marketers do not have to designate employees. All marketers who are currently exempt from licensing under the rule will be required to be licensed and pay an annual fee of \$452.

D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

All marketers who are currently exempt from licensing under the rule will be required to be licensed and pay an annual fee of \$452. The cost of the license could be passed on to the consumer.

Compliance Cost Information

8. Compliance costs for affected persons:

All marketers who are currently exempt from licensing under the rule will be required to be licensed and pay an annual fee of \$452. The cost of the license could be passed on to the consumer.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

Health discount plan marketers not currently licensed will need to be licensed and pay a \$452 annual fee.

B) Name and title of department head commenting on the fiscal impacts:

Neat T. Gooch, Insurance Commissioner

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

31A-2-201

31A-1-103

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials

incorporated by reference must be submitted to DAR; if none, leave blank) :

<p>Official Title of Materials Incorporated (from title page):</p> <p>Publisher:</p> <p>Date Issued:</p> <p>Issue, or version:</p> <p>ISBN Number:</p> <p>ISSN Number:</p> <p>Cost of Incorporated Reference:</p> <p>Adds, updates, removes:</p>
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Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

12/31/2010

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

01/07/2011

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):
- insurance medical discount program

File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Jilene Whitby Information
Specialist

Date (mm/dd/yyyy): 11/10/2010